EIGHTEENTH REPORT

STANDING COMMITTEE ON RAILWAYS (1995-96)

(TENTH LOK SABHA)

MINISTRY OF RAILWAYS (RAILWAY BOARD)

PRODUCTION UNITS OF INDIAN RAILWAYS

[Action Taken by the Government on the Recommendations/Observations contained in the Twelfth Report of the Standing Committee on Railways (1994-95) (Tenth Lok Sabha)]

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Presented to Lok Sabha on 20.12.95
Laid in Rajya Sabha on 20.12.95

LOK SABHA SECRETARIAT
NEW DELHI

December, 1995/Agrahayana, 1917 (Saka)

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COMPOSITION OF THE COMMITTEE ON RAILWAYS
(1995-96)

Shri Somnath Chatterjee —*Chairman*

MEMBERS

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2. Shri Harilal Nanji Patel
*3. Vacant
4. Shri G. Madegowda
5. Smt. Santosh Chowdhary
6. Kumari Frida Topno
7. Shri Dileep Singh Bhuria
8. Dr. Kartikeswar Patra
9. Shri Ashok Gehlot
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13. Shri Anand Ahirwar
14. Shri D. B. Shingda
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20. Shri Shrish Chandra Dikshit
21. Shri Raj Narain
22. Shri Ramchandra Veerappa
23. Shri Brishin Patel
24. Smt. Girija Devi

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* Vacancy caused due to appointment of Shri A.R. Antulay as Minister.

** Vacancy caused due to the death of Shri B. K. Gudadinni.

*** Vacancy caused due to death of Shri Tej Singh Rao Bhonsle.

25. Shri Basudeb Acharia
26. Shri S. Sivaraman
27. Shri Brahma Nand Mandal
28. Shri S.S.R. Rajendra Kumar
29. Shri Moreshwar Save
30. Shri P.C. Thomas

Rajya Sabha

*31. Vacant
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33. Shri V. Rajan Chellappa
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36. Smt. Sarala Maheshwari
37. Shri Radhakishan Malaviya
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40. Smt. Malti Sharma
41. Shri Kailash Narain Sarang
42. Shri Janardan Yadav
43. Shri Ahmed Mohmedbhai Patel
44. Shri John F. Fernandes
45. Shri Prabhakar B. Kore

SECRETARIAT

1. Shri S.N. Mishra — *Additional Secretary*
2. Smt. Roli Srivastava — *Joint Secretary*
3. Shri T.R. Sharma — *Deputy Secretary*
4. Shri R.C. Gupta *Under Secretary*

* Vacancy caused due to appointment of Shri S.S. Ahluwalia as Minister.

INTRODUCTION

I, the Chairman of the Standing Committee on Railways (1995-96) having been authorised by the Committee to submit Report on their behalf, do present this 18th Report on Action Taken by Government on the recommendations/observations contained in the Twelfth Report of the Standing Committee on Railways (1994-95) (Tenth Lok Sabha) on 'Production Units of Indian Railways'.

2. The Twelfth Report was presented to Lok Sabha on 14 March 1995 and contained 18 observations and recommendations. Replies of the Government to all recommendations contained in the Report were received on 29 May, 1995 and were considered by the Committee on 7 December, 1995.

3. The Committee considered and adopted the 18th Report at their Sitting held on 7 December, 1995.

4. An analysis of the Action Taken by the Government on recommendations/observations contained in the Twelfth Report (Tenth Lok Sabha) of the Committee is given in Appendix II.

NEW DELHI,
8 December, 1995
17 Agrahayana, 1917 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Railways.

CHAPTER I

REPORT

This Report of the Standing Committee on Railways (1995-96) deals with the action taken by the Government on the observations and recommendations contained in the Twelfth Report on 'Production Units of Indian Railways' which was presented to Lok Sabha on 14 March , 1995. The Report contained 18 recommendations.

2. The Action Taken Notes have been received from the Governement in respect of all 18 observations and recommendations contained in the Report. The replies have been broadly categorized as follows:—

(i) Recommendations/Observations which have been accepted by the Government ;
Para Nos. 101, 103, 105, 107, 108, 109, 111, 113 and 117.

(ii) Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies:
Para No. 115

(iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:
Para Nos. 102, 104, 106, 110, 112, 114 and 118.

(iv) Recommendation/Observation in respect of which final reply of the Government is still awaited:
Para No. 116

3. The Committee desire that the final reply in respect of the recommendation for which only interim reply has been given by the Government should be furnished to the Committee within one month of the presentation of the Report.

4. The Committee will now deal with the Action Taken by the Government on some of their recommendations.

Projection for Locomotives (Para 102)

5. The Committee had in paragraph 102 of their Report observed:

"the total number of locomotives with Railways in 1991-92 was 8268. At the level of investment of Rs. 45,600 crores as envisaged by the Ministry of Railways for the VIII Plan, it was planned to procure, 1,542 locomotives (650 electric and 892 diesel). This requirement of locomotives was determined for a freight transport output level of 318.3 billion net tonne kilometre and for passenger traffic at 377.74 billion passenger kilometre to be achieved by 1996-97. However, after the level of investment was pruned down to Rs. 27,202 crores by the Planning Commission with the traffic level remaining the same, the Railways revised their requirement of locomotives to 1499 locomotives (750 electric and 749 diesel). In reply to the question as to how the Ministry of Railways has assessed to move the original level of freight and passenger traffic with 1499 locomotives, as against their requirement of 1542 locomotives, the Committee were informed that one of the starategies to meet the original traffic demand with the reduced number of locomotives was by giving more thrust to electrification as it would be giving them a little more output per locomotive. However, the Committee find that there has been a reduction in allocation for electrification in the revised plan from Rs. 1709 crores to Rs. 1350 crores and that the target for electrification for the first two years (1992-93 & 1993-94) of the Eighth Five Year Plan fixed at 500 & 600 Kms. respectively has not been met as the sections electrified during 1992-93 & 1993-94 were 479 Kms. & 505 Kms. only. The Committee note that the procurement programme of diesel locomotives was reduced drastically from 892 to 749 with the reduction in size of investment plans. With electrification not going at the desired pace, the Committee apprehend that this situation will lead to shortage of diesel locomotives in the near future. Apparently the strategy adopted by the Railways has not served the purpose. They, therefore,

recommend that the Railways should re-arrange their strategies taking into account the present pace of electrification and the resources available at their disposal for procurement of rolling stock etc.

6. The Ministry of Railways have, in their action taken note, stated as under:-

"The Committee's observations are noted.

A review since made taking into account the current reduced lead indicate that the total transport output would be lesser than what was originally conceived. Similarly, the share of electric traction both for freight and passenger would be higher than originally provided for and the utilization both of electric and diesel locomotives particularly on passenger traction would be substantially higher than what was provided for originally. The overall requirement of locomotives, therefore, stands reduced and commensurate acquisition is being arranged."

7. The Committee are not convinced with the casual reply of the Government. They would like to know the details of the review made; the basis for reduction in the present lead assessed and the total requirement of locomotives both diesel and electric now projected for the remaining years of the Eighth Five Year Plan. It is incomprehensible to the Committee as to how it would be possible for the Railways to move increased level of freight as well as passenger traffic with the present pace of electrification and with reduced projection for locomotives. The Committee, therefore, reiterate their earlier recommendation that the Railways should rearrange their strategies taking into account the present pace of electrification and the resources available at their disposal for procurement of rolling stock etc. and should inform the Committee of the action taken in this regard.

Transfer of technology from M/s ABB, Switzerland (Para 104)

8. In paragraph 104 of their Report, the Committee had found that the Railways had drawn 10 years' programme in regard to transfer of 3 phase AC Drive Technology from M/s ABB, Switzerland and therefore felt that in view of rapid advancement in technology, the period for transfer of technology should be reduced so that this technology does not become obsolete.

9. In their Action taken note dated 29.5.95 the Ministry of Railways have stated:-

"The transfer of technology not only involves production of the locomotive but also indigenisation of major components. Many components are not presently manufactured in India. Indian Railway's experience on such work to reach a level of 75% of the imported goods has been around 10 years in the past. Accordingly a 10 year span for TOT (transfer of technology) is provided. This is the outer limit. Railways will make all-out efforts to achieve the results in a shorter span.

The TOT also provides transfer of know-how on subsequent upgradation of the technology during the 10 years period. Therefore, it is expected that we would be getting the details of latest developments and incorporate them to keep the designs upto date with this technology".

10. The Committee are unable to understand why a period of 10 years is required to reach a level of indigenisation of 75 % of the imported components. The Committee feel that the Ministry's decision is not based on any in depth study in the matter. In the modern world the technology is rapidly changing. Railways are fully aware that the thyristor technology proposed to be imported in late eighties became obsolete even during the trial period. Instead of fixing an outer limit of 10 years for transfer of technology, the Committee desire that the Railways should plan to achieve it within 5 to 6 years. In the opinion of the Committee this is not impossible provided serious and coordinated effort is made therefor.

Procurement of Locomotives (Para No. 106)

11. The Committee had found that the Ministry of Railways had been able to procure only 595 locomotives upto 1993 -94 and proposed to procure 307 locomotives during 1994-95 and another 600 during the remaining two years of Eighth Five Year Plan against their plan to acquire 1499 locomotives during the Eighth Plan. The Railways had admitted before the Committee that there would be shortage of 155 locomotives (41 diesel and 114 electric locomotives) by the end of the Plan. The Committee desired that the Ministry of Railways should take necessary steps to manufacture the required number of locomotives both diesel and electric within the plan period from its own production units so as to achieve the target fixed for freight and passenger traffic.

12. The Ministry of Railways has, in their Action Taken Reply, stated:

"Adequate locos are being manufactured/acquired to move the projected traffic. The average lead is coming down over the years and, therefore, the transport output i.e. through put is only marginally increasing as would be evident from the figures indicated below:

Total Traffic (Revenue & Non-Revenue)

	As per projection			Actual		
	Originating (million)	Tonne-km (billion)	Av. lead (km)	Originating (million)	Tonne-km (billion)	Av. lead (km.)
1992-93	377.00	267.00	710	370.36	258.13	696
1993-94	391.50	277.57	709	377.45	257.13	681
1994-95*	400.00	278.73	697	393.00	264.81	674
1995-96	414.00	277.82	671			

*Under actual RE figures have been furnished.

Even during the current year the transport output upto January is less than the corresponding period of the previous year by 0.86%. The system already is capable of achieving a total of 386 million tonnes in a year corresponding to 266.2 billion tonne km. at this rate.

30 High Horse Power Electric locomotives are being imported together with technology transfer with an intention to manufacture them at Chittaranjan Locomotive Works. Similarly, 3100 HP diesel locomotives against the existing 2600 HP are being manufactured at Diesel Locomotive Works, Varanasi. These locos are fitted with fuel efficient kits to provide the benefit of lesser fuel consumption.

Considering the present trends, the requirement of locomotives for the Eighth Plan would be of the order of 1350. The likely acquisition, taking the High Horse Power Locomotives into consideration, is likely to exceed this number. It may, therefore, be clarified that there will be no shortage of locomotives".

13. The Committee are not convinced with the reply given by the Ministry of Railways that there will be no shortage of locomotives as transport output is only marginally increasing. The railways have made traffic projection of 414 million tonne for 1995-96 for both revenue and non-revenue earning traffic. It is a known fact that the freight traffic is always uneven throughout the year and have a distinct peaking pattern when the Railways do feel a shortage of Rolling Stock. Taking these factors into account the Committee recommend that the Ministry of Railways should see that adequate number of locomotives are manufactured to enable them to achieve the projected level of the freight traffic of 414 million tonnes in 1995-96.

Outlay for Research and Development (Para 110)

14. The Committee had found that against Railways demand for Rs. 150 crores for VIII Five Year Plan, only a meagre amount of Rs. 25 creores (0.09% of plan outlay) has been allocated to RDSO for its Research work etc. The Ministry of Railways have spent hardly .075%, .073% and .077% of their gross earnings during 1992-93, 1993-94 and 1994-95 on Research and Development. The Committee were informed during evi-

dence that Railways cannot do Research work alone and it has to be done in conjunction with Public sector and other Research Institutions. They were constrained to observe that no initiative has so far been taken by the Railways to involve such institutions in their Research and Developmental work. The Committee had, therefore, recommended that a programme should be chalked out immediately in close cooperation with Public Sector Undertakings/Research Institutes/IITs for developing new technologies and for that purpose the Railways should also make sufficient resources available to these Institutions.

15. The Ministry of Railways have, in there action taken note stated:

> "Technology Development Groups have been set up for various areas of railway technology like locomotives, coaches, track, signalling, overhead tractions equipment etc. In these Technological Development Groups, various prestigious institutions have been involved which include, amongst others, Indian Institute of Technologies (IITs), University of Roorkee, Indian Institute of Sciences, Bangalore, Bharat Heavy Electricals Ltd, etc."

Additional funds are also being allotted to RDSO for Railway Research as follows:—

(Rs. in Crores)

Year	Funds allocated under Plan head Railway Research
1992-93	6.53
1993-94	4.83
1994-95	10.95
1995-96	20.00
Total	42.31

16. Though the Ministry of Railways have set up Technology Development Groups for various areas of Railway technology but have not given details of the Technology Development Groups like their composition, functioning, major projects taken up by them and the level of involvement of Research Institutions in these Groups. The Committee

would like to be apprised of the achievements made so far by the Technology Development Groups in their respective fields.

The Committee feel that the additional funds allocated to Research Development and Standards Organisation (RDSO) are still not adequate when compared to the actual demand made by RDSO. Needless to say that no worthwhile Research work can be undertaken with such meagre allocations. Keeping in view the changed objectives of RDSO, the Committee re-emphasize the need for allotment of more funds to RDSO.

Underutilisation of capacity of Coach Manufacturing Units (Para 112)

17. The Committee felt that gross under utilization of capacity of coach manufacturing units needed to be viewed seriously . They also felt that export orders secured by Railways were not adequate and recommended that the Railways should extensively explore the Market abroad to secure more orders for coaches and containers.

18. The Ministry of Railways, in their action taken reply, have stated:

> "Railway Board have identified export of rolling stock as one of the thrust areas and decided to enter into international market for export of both new and second hand rolling stock through aggressive marketing efforts.
>
> In order to provide expeditious and single window clearance to all export enquiries, a high level Export Promotion Committee under the Chairmanship of Chairman, Railway Board has been constituted.

Other measures taken to promote export of rolling stock are:

(a) M/s RITES and IRCON have been nominated to handle all export enquiries.
(b) All export enquiries are expeditiously attended.
(c) Flexible pricing approach has been adopted.
(d) A brochure detailing the salient features of rolling stock has been prepared and sent to various missions for publicity.

Efforts made so far have resulted into securing export orders worth Rs.48 crores Railway Rolling Stock from Vietnam, Nepal, Bangladesh, Sri Lanka and Malyasia. Active negotiations for export of rolling stock are going on with Myanmar, Ghana, Chile, Brazil, Argentina and Indonesia. Over the years as an on-going process while several indigenous design and quality improvements have been incorporated in these coaches, their basic technology remain the same which was imbibed in early 60's. In order to improve customer satisfaction particularly in respect of passenger services and also enhance export capacity, Railways are considering induction of modern light weight coaches now available in the international market with transfer of technology. These coaches will have the distinct advantage of enhanced riding comfort even at higher speeds, greater availability in service, improved reliability and easy maintainability with aerodynamic energy efficient profiles. This would also enhance the product profile and customer choice for export".

19. Although the measures taken by the Railways to promote export of rolling stock have yielded some encouraging results yet the Committee feel that more vigorous & aggressive marketing measures are required to be taken to promote export of rolling stock. The Committee feel that the Indian Missions abroad, if approched by Railways, can play a very significant role in boosting export of Indian rolling stock. Besides that, the Railways should also make enquires from the potential importing countries through their own sources to secure orders for export of rolling stock in a big way.

The Committee are not in favour of import of light weight coaches by Railways. They desire that in order to save much needed foreign exchange the Railways should take urgent steps to improve upon the indigenously available technology in RPF and ICF so that these units are able to produce coaches comparable to international standards.

Maintenance of Rolling Stock
(Para 114)

20. The Committee had expressed their great distress at the failure of the Railways in giving due attention and importance to the maintenance of the existing rolling stock. The Committee had, therefore, strongly recommended

adoption of strict measures for the upkeep and maintenance/replacement of the rolling stock, particularly the coaches.

21. The Ministry of Railways in their Action Taken reply have stated as under:-

> "Railways attach highest importance to efficient maintenance of existing fleet of rolling stock. Wherever necessary replacements are made on age cum condition basis. Maintenance practices are reviewed periodically to take into account the recent developments in material technology and manufacturing. Besides standardisation of maintenance practice, operation is being streamlined to further improve the maintenance and reliability of coaching stock. Some of the steps taken for better maintenance of coaching stock are;

- Standardisation of maintenance facilities.
- Standardisation of rakes (train composition).
- Segregation and standardisation of operation into distinct spheres to cater for specific traffic demand.
- Introduction of diesel multiple units and rail buses for suburban services".

22. The measures spelt out by the Ministry of Railways for better maintenance of the coaching stock though look quite impressive and effective yet in actual practice the maintenance of the rolling stock especially the coaches even now leaves much to be desired. The Committee, therefore, cannot but re-emphasize adoption of strict measures for the upkeep and maintenance/ replacement of the rolling stock especially the coaches.

Suggestion for recognition of union in Production Units (Para 118)

23 . The Committee had suggested that Railways policy not to recognize unions in Production Units should be changed so as not to deny the exercise of fundamental rights by the workers and employees.

24. The Ministry of Railways have in their action taken reply stated:

> "There has been no denial of fundamental rights to the workers of the Production Units. Staff Councils which largely comprise of elected

members — elected by the workers themselves — take up all matters relating to service conditions, issues of common interest and staff grievances and hold discussions at periodic intervals with the local management in Production Units. They also hold meetings with the Board once a year where left over and policy issues are discussed and amicable solutions found. The question whether the existing system of Staff Councils should be continued or the unions should be granted recognition was also recently reviewed. While the general consensus was to continue the existing system of Staff Councils by enhancing their status and making this forum as an efficient, vibrant medium for staff grievance redressal, a paper has since been prepared for the consideration of the Board and further suitable action will be taken as soon as a decision is taken".

25. The Committee would like to be apprised of the decision of the Board which should no doubt include the Committee's recommendations made in para 118 of their original Report and the action taken by Government in pursuance thereof.

CHAPTER II

RECOMMENDATIONS/ OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 101)

The fleet of rolling stock comprising of locomotives, coaches and wagons constitutes the bulwark of the Railways. The adequacy of this fleet, together with its efficient upkeep and optimum serviceability are matters vital to the operation of the system. The efficiency of Railways depends largely on its good and efficient rolling stock which needs to be augmented and upgraded constantly with modern and fuel efficient one to meet the needs of increasing traffic more effectively. With locomotives having better fuel efficiency, higher haulage capacity and more speed and coaches with better spacious design and lesser weight, it is possible to meet in a better way the ever increasing transport demands while saving substantially on fuel.

Reply of the Government

Efficient upkeep and maintenance of the fleet of rolling stock comprising locomotives, Coaches and wagons is a subject which has been engaging constant attention of the Railways for optimum and efficient utilisation. Based on field experience, design development and maintenance improvements have been systematically undertaken to improve availability and reliability of the rolling stock.

The WDMZ diesel locomotive which is the workhorse of diesel traction has been uprated from 2600 HP to 3100 HP alongwith fuel efficient kit for improving fuel efficiency.

All newly built coaches are fitted with air brake/ system with better interior designed layout to provide improved passenger comfort. Railways

are also developing new design of coaches with speed potential of 160 Kmph.

The wagon stock has also undergone evolutionary changes from 4-wheeler plain bearing vaccum brake stock to bogie (8-wheeler) roller bearing air brake stock with higher track loading density and higher speed potential. Railways have also recently developed BOXN stock with modified bogies for operating at 100 Kmph.

Notwithstanding the indigenous design improvements, the basic technology remains the same which was imbibed in early 60's, particularly in respect of diesel locomotives and passenger coaches. Railways are acutely siezed of the need for technological upgradation to meet the emerging challenges of the 21st Century which shall call for handing of increased levels of traffic with the ushering of economic liberalisation and to maintain a competitive edge over other modes of transport. Railways are therefore exploring the possibility of inducting modern high horse power fuel efficient diesel locomotives to meet the future traffic demands.

With the discerning customers more than ever before, particularly in respect of passenger services, improved customer satisfaction through reliability and quality of service has become vital. Railways are considering induction of modern lightweight coaches now available in the international market. These coaches will have the distinct advantages of enhanced riding comfort even at 160 kmph speed, improved reliability and easy maintainability with aerodynamic energy efficient profiles.

[M/o Railways (Railway Board) D.O. No. 94/SCR/X/PU dated 29.5.95]

Recommendation (Para No. 103)

The Committee are constrained to note that the Railways are still using technology for electric locomotives of 1960 vintage. Though this technology has been upgraded over the years to increase the horse power to 5000, the technology has its own limitations. The Railways could not adopt the Thyristor Technology inspite of the fact that they had imported 18 electric locomotives in 1988. The Ministry of Railways have informed the Com-

mittee that the Thyristor technology in the present world scenario has become obsolete and they therefore now decided to introduce 3 phase AC Drive Locomotives in the country. Even after presentation of report by the Railway Convention Committee on 'Purchase of Electric Locomotives from M/s ABB, Switzerland by the Indian Railways' the Ministry of Railways have decided to import 30 ABB locomotives with the transfer of technology which would be gradually absorbed at Chittaranjan Locomotive Workshop where first locomotive would be manufactured by 1996-97. The Committee hope that the necessary infrastructure facilities would be provided at the Chittaranjan Locomotive Workshop at an early date so that the above target for production of 3-phase AC Drive Locomotive at the workshop could be achieved.

Reply of the Government

Necessary infrastructural facilities for manufacturing 3 phase a.c. drive locomotives at Chittaranjan Locomotive Works are being provided against an approved work whose anticipated cost is Rs. 25 crore. Rs. 15 crores are allotted in 95-96. Inputs to adhere to the target of producing the first locomotive in1996-97 are progressing satisfactorily.

[M/o Railways (Railway Board) D.O. No. 94/SCR/X/PU/ dated 29.5.95]

Recommendation (Para No. 105)

The Committee also find that although the Railways are producing diesel locomotives of 3100 HP by improving fuel efficiency, yet they still lag behind in the technology used world over. The Committee desire that the Railways should take immediate steps to acquire latest technology for diesel locomotives in diesel locomotive works, Varanasi and assimilate the same in the shortest possible time so as to produce the locomotives of the quality comparable with the world standards.

Reply of the Government

Indian Railways had acquired ALCO diesel technology in the early sixties when Diesel Locomotive works (DLW) at Varanasi was established for indigenous manufacture of diesel locomotives. A number of changes/

modifications have been carried out on this locomotive by DLW over the years with the experience gained so as to improve the performance reliability and availability.

Recently with the indigenous research and development efforts of RDSO this locomotive has been upgrated to 3100 HP WDMZC version with improved fuel performance efficiency. As the technology has basically remained the same, there is hardly any room now left for further improvement. Thus there is an urgent need for imbibing modern diesel technology on the Indian Railways to meet the challenges of the future transportation needs particularly so with the expected growth in the economy with liberalised economic policies and the Uni-Gauge policy of the Railways which will be creating additional alternative routes on diesel traction.

Standing Committee have also echoed the concern of the Railways in this respect. Railways are siezed of the problem and are exploring the possibility of acquring the modern diesel technology and adopting the same for future manufacture of diesel locomotives at Diesel, Locomotive Works, Varanasi at the earliest.

[M/o Railways (Railway Board) D.O. No. 94/ SCR/X/ PU dated 29.5.95]

Recommendation (Para No. 107)

The Committee also recommend that necessary steps should be taken on priority basis to raise the present capacity of Diesel Components works for locomotives re-building from 72 locomotives per year to 100 locomotives as suggested by the Working Group on Railway Programme.

Reply of the Government

Matching of rebuilding capacity to the requirement of Railways is an on-going process and suitable adjustments are made to meet the needs. Recommendation of the Committee have been noted.

[M/o Railways (Railway Board) D.O. No. 94/ SCR/X/ PU dated 29.5.95]

Recommendations (Para Nos. 108 & 109)

Research and Development efforts for Indian Railways are undertaken by the Research, Designs and Standards Organisation (RDSO). Its major objective is to constantly review the design of the rolling stock on the basis of the feed back which is received from the user Railways about the reliability of the performance. During evidence, the Chairman, Railway Board admitted that "RDSO cannot be doing original Research for designing of locomotives and the whole thrust of it is only to maximise the output from the technology which we have."

The Committee have, therefore, come to the conclusion that RDSO has essentially become an Organisation devoted to absorption of technology and not towards its development. They feel that RDSO should be revamped and more encouragement and incentives should be given to its personnel to do the original Research work in this Organisation. The objectives of RDSO may also be changed to that effect. In this connection, the Committee are in agreement with the suggestions/ recommendations made by various Committees time and again that RDSO should carry out Research work for development of new technology only and that the work relating to designs and development etc. should be left to R&D Division of respective Production Units which need to be further strengthened.

Reply of the Government

RDSO functions as a technical adviser and consultant to the Railway Board, Zonal Railays and Production Units. In the changing scenario due to liberalisation, RDSO's important functions are :

(i) Adoption and development of new technologies for use on Indian Railways;
(ii) Development of new designs and their standardisation;
(iii) Development of manufacturing capacities for various RDSO designed products;
(iv) Technical investigations, statutory clearances, testing of rolling stock; and
(v) Inspection of rolling stock, S&T equipments and track components.

RDSO, being the pioneering research and development organisation of Indian Railways is responsible for undertaking all Research Projects concerning Railways. They have to keep a closer liaison and interaction with all field units to achieve the final product. For this purpose, Design and Development centres are being set up at ICF, CLW & DLW to further increase their developmental potential.

[M/o Railways (Railway Board D.O. No. 94/ SCR/X/ PU dated 29.5.95]

Recommendation (Para No. 111)

The Committee find that the two Coach manufacturing production units *viz.* Integral Coach Factory, Madras and Rail Coach Factory, Kapurthala were placed with lesser order for coaches than those placed during the last three years. As against 1016, 1023 and 1030 Coaches/EMUs manufactured by ICF during 1991-92, 1992-93 and 1993-94 respectively, an order for 775 coaches and 110 AC coaches has been placed for 1994-95. Similarly Rail Coach Factory, Kapurthala has been given an order of 775 coaches as against 915, 1115 and 1025 coaches manufactured by it during the years 1991-92, 1992-93 and 1993-94 respectively. The Chairman, Railway Board stated during evidence that Railways were preparing a Master Plan about the requirement of coaching stock, which would indicate the strategy for utilization of coaches. Further in order to utilize idle capacity in the two coach manufacturing units, they have diversified their production capacity to manufacture containers and have also secured export orders.

Reply of the Government

Orders for coaches are being placed on the two coach manufacturing units depending upon Railways' requirements. Orders have been placed for 850 coaches each on ICF & RCF during 1995-96. In addition, ICF & RCF have orders for 250 and 500 containers respectively. ICF is also to manufacture during 1995-96. 10 coaches for export to Vietnam, 7 OHE Cars and 21 coaches for "Place on wheels". Further, orders for 191 coaches for Konkan Railway Corporation are expected to be placed on ICF & RCF during the year 1995-96. Further, coaches being ordered have a higher percentage of Air-conditioned coaches, EMU/ MEMUs, DMUs etc. which have higher

man hour content per coach.

[M/o Railways (Railway Board) D.O. No. 94/ SCR/X/ PU dated 29.5.95]

Recommendation (Para No. 113)

The Committee are distressed to find that a proper perspective plan has not been prepared by the Railways to meet the demands for adequate rolling stock and their maintenance. Inadequacy of funds should not lead to adoption of adhoc measures. The nation cannot afford any slackness or slippages in this vital sector. Adequate funds will have to be provided together with adoption of steps for proper utilization in a time bound frame and there should be vigorous efforts to do away with imports consistent with the country's interest.

Reply of the Government

Rolling Stock acquisition is need based and adequate number are being planned for acquisition to meet the projected level of traffic. Concurrent maintenance infrastructure is also being planned to match the acquisition of Rolling Stock by way of inputs in workshops and in open line maintenance depots.

[M/o Railways (Railway Board) D.O. No. 94/ SCR/X/ PU dated 29.5.95]

Recommendation (Para No. 117)

The Committee are distressed to learn that the meetings of Staff Council with Railway Board to be held once a year, are not being held at the stipulated time. They therefore desire that such meetings should be held at regular intervals as scheduled & the Staff Councils must be made effective to deal with staff grievances.

Reply of the Government

Though there had been some delay in holding the meetings in some Production Units, every effort would be made to hold these meetings regularly and to maintain the schedule of annual meetings with the Staff Councils.

[M/o Railways (Railway Board) D.O. No. 94/ SCR/X/ PU dated 29.5.95]

CHAPTER III

RECOMMENDATIONS/ OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES

Recommendation (Para No. 115)

The Committee find that the Railways propose to raise the installed capacity of Wheel & Axle Plant, Bangalore from 77,000 to 95,000 wheels per annum by the end of the Eighth Plan. However, with the reduction of acquisition of wagons by Indian Railways even the existing capacity has not been fully utilized during the last two years. The Ministry of Railways have informed the Committee that the WAP has been asked to develop capability for coaching wheels so that fluctuation in demand for freight wheels could be dealt with. The Committee are unhappy to note that even after 10 years of its existence, WAP has not been able to develop capability for coaching wheels. They, therefore, recommend that before going in for raising the capacity of WAP, the Railways should make allout effort to develop the capability for making coaching wheels and locomotive wheels which are hither to being imported.

Reply of the Government

Case for augmenting the installed capacity of WAP is being reviewed on account of reduction in Wagon demand. However, demand for loose wheels for BOXN stock is likely to go up shortly on account of large scale induction of BOXN wagons about 10-12 years back whose wheels will now require renewal.

As far as manufacture of coaching wheels is concerned, technical clearance for manufacture has been given and part capacity of WAP is already being utilised to manufacture Coaching Wheels. However, wear pattern on the cast wheels is still being studied and it being a time consuming process, clearance for manufacturing the entire requirement of Coaching Wheels may take some more time.

Cast Wheels are not considered suitable for Locomotive applications. As such, they are being developed with Durgapur Steel Plant who have the requisite facility of forging of wheels. The first batch of wheels is presently under inspection.

[M/o Railways (Railway Board) D.O. No. 94/ SCR/X/ PU dated 29.5.95]

CHAPTER IV

RECOMMENDATIONS/ OBSERVATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Para No. 102)

The Committee note that the total number of locomotives with Railways in 1991-92 was 8268. At the level of investment of Rs. 45,600 crores as envisaged by the Ministry of Railways for the Eighth Plan, it was planned to procure, 1,542 locomotives (650 electric and 892 diesel). This requirement of locomotives was determined for a freight transport output level of 318.3 billion net tonne kilometre and for passenger traffic at 377.74 billion passenger kilometre to be achieved by 1996-97. However, after the level of investment was pruned down to Rs. 27, 202 crores by the Planning Commission with the traffic level remaining the same, the railways revised their requirement of locomotives to 1499 locomotives (750 electric and 749 diesel). In reply to the question as to how the Ministry of Railways has assessed to move the original level of freight and passenger traffic with 1499 locomotives, as against their requirement of 1542 locomotives, the Committee were informed that one of the strategies to meet the original traffic demand with the reduced number of locomotives was by giving more thrust to electrification as it would be giving them a little more output per locomotive. However, the Committee find that their has been a reduction in allocation for electrification in the revised plan from Rs. 1709 crores to Rs. 1350 crores and that the target for electrification for the first two years (1992-93 & 1993-94) of the Eighth Five Year Plan fixed at 500 & 600 Kms. respectively has not been met as the sections electrified during 1992-93 & 1993-94 were 479 km & 505 km only. The Committee note that the procurement programme of diesel locomotives was reduced drastically from 892 to 749 with the reduction in size of investment plans. With electrification not going at the desired pace, the Committee apprehend that this situation will lead to the shortage of diesel locomotives in the near future.

Apparently, the strategy adopted by the Railways has not served the purpose. They, therefore, recommend that the railways should rearrange their strategies taking into account the present pace of electrification and the resources available at their disposal for procurement of rolling stock etc.

Reply of the Government

The Committee's observations are noted.

A review since made taking into account the current reduced lead indicate that the total transport output would be lesser than what was originally conceived. Similarly, the share of electric traction both for freight and passenger would be higher than originally provided for and the utilisation both of electric and diesel locomotives partcularly on passenger traction would be substantially higher than what was provided for originally. The overall requirement of locomotives, therefore, stands reduced and commensurate acquisition is being arranged.

[M/o Railways (Railway Board) D.O. No. 94/ SCR/X/ PU dated 29.5.95]

Comments of the Committee

(Please *see* paragraph 7 of chapter I of the Report)

Recommendation (Para No. 104)

The Committee find that the Railways have drawn 10 years programme in regard to transfer of 3 phase AC Drive Technology from M/s ABB, Switzerland. Keeping in view the rapid advancement in technology, the Committee feel that the period for transfer of technology should be reduced so that even this technology does not become obsolete.

Reply of the Government

The transfer of technology not only involves production of the locomotive but also indigenisation of major components. Many Components are not presently manufactured in India. Indian Railways experience on such work to reach a level of 75% of the imported goods has been around 10 years in the past. Accordingly a 10 year span for TOT is provided. This is the outer limit . Railways will make all-out efforts to achieve the results in a shorter span.

The TOT also provides transfer of know-how on subsequent upgradation of the technology during the 10 year period. Therefore, it is expected that we would be getting the details of latest developments and incorporate them to keep the designs upto date with this technology .

(M/o Railways (Railway Board) D.O No. 94/SCR/X/PU dated 29.5.95)

Comments of the Committee

(Please *see* paragraph 10 of the Report)

Recommendation (Para No 106)

From the material submitted to the Committee, they note that against, their plan to acquire 1499 locomotives during the Eighth Five Year Plan, the Ministry of Railways have been able to procure only 595 locomotives upto 1993-94 and it is proposed to procure another 307 locomotives during 1994-95. During evidence the Chairman, Railway Board informed the Committee that it would be possible for them to procure another 600 locomotives during the remaining two years of the Eighth Five Year Plan. However, he admitted that there would be shortage of about 155 locomotives (41 diesel and 114 electric locomotives) by the end of the Plan. The Railways propose to meet this shortage by manufacturing higher capacity locomotives. The Committee are not satisfied with this assurance as no concrete proposal has been placed before them so far nor they have been informed of any final plan or programme to manufacture higher capacity locomotives. The Committee desire that the Ministry of Railways should take necessary steps to manufacture the required number of locomotives both diesel and electric within the plan period from its own production units so as to achieve the target fixed for freight and passenger traffic.

Reply of the Government

Adequate locos are being manufactured/ acquired to move the projected traffic. The average lead is coming down over the years and, therefore, the

transport output i.e. throughput is only marginally increasing as would be evident from the figures indicated below:

Total Traffic (Revenue & Non-Revenue)

	As per Projection			Actual		
	Originating (million)	Tonne-km (billion)	Av. lead (km)	Originating (million)	Tonne-km (billion)	Av. lead (km.)
1992-93	377.00	267.78	710	370.86	258.13	696
1993-94	391.50	277.57	709	377.45	257.13	681
1994-95*	400.00	278.73	697	393.00	264.81	674
1995-96	414.00	277.82	671	-	-	-

*Under actual RE figures have been furnished.

Even during the current year the transport output upto January is less than the corresponding period of the previous year by 0.86%. The system already is capable of achieving a total of 386 million tonnes in a year corresponding to 266.2 billion tonne km at this rate.

30 High Horse Power Electric locomotives are being imported together with technology transfer with an intention to manufacture them at Chittaranjan Locomotive Works. Similarly, 3100 HP diesel locomotives against the existing 2600 HP are being manufactured at Diesel Locomotive Works, Varanasi. These locos are fitted with fuel efficient kits to provide the benefit of lesser fuel consumption.

Considering the present trends, the requirement of locomotives for the Eighth Plan would be of the order of 1350 . The likely acquisition, taking the High Horse Power Locomotives into consideration, is likely to exceed this number. It may, therefore, be clarified that there will be no shortage of locomotives.

(M/o Railways (Railway Board) D.O No. 94/SCR/X/PU dated 29.5.95)

Comments of the Committee

[Please *see* paragraph 13 of the Report]

Recommendation (Para No 110)

The Committee also find that against Railway's demand for Rs. 150 crores for VIII Five Year Plan only a meagre amount of Rs. 25 crores (.09% of Plan outlay) has been allocated to RDSO for its research work etc. The Ministry of Railways have spent hardly .075%; .073% and .077% of their gross earnings during 1992-93, 1993-94 and 1994-95, on Research and Development. The Committee were informed during evidence that Railways cannot do Research work alone and it has to be done in conjunction with Public Sector and other Research Institutions. They are constrained to observe that no initiative has so far been taken by the Railways to involve such Institutions in their Research and Development work. The Committee, therefore, recommend that a programme should be chalked out immediately in close co-operation with Public Sector Undertakings/ Research Institutes/ IITs for developing new technologies. The Railways should also make sufficient resources available to these Institutions for the above purpose.

Reply of the Government

Technology Development Groups have been set up for various areas of railway technology like locomotives, coaches, track signalling, overhead traction equipment etc. In these Technological Development Groups, various prestigious institutions have been involved which include, amongst others, Indian Institute of Technologies (IITs), University of Roorkee, Indian Institute of Sciences, Bangalore, Bharat Heavy Electricals Ltd. etc.

Additional funds are also being allotted to RDSO for "Railway Research" as follows:—

(Rs. in Cr.)

Year	Funds allocated under Plan-head "Railway Research"
1992-93	6.53
1993-94	4.83
1994-95	10.95
1995-96	20.00
VIII Plan Total (four years)	42.31

(M/o Railways (Railway Board) D.U No 94/SCR/X/PU dated 29.5.95)

Comments of the Committee

[Please *see* paragraph 16 of the Report]

Recommendation (Para No. 112)

The Committee feel that the gross under-utilization of capacity of these units needs to be viewed seriously. The export orders secured by Railways are not adequate . The Railways should extensively explore the Market abroad to secure more orders for coaches and containers. Further as brought out by the Tandon Committee Report also there is a need for the Coach manufacturing units to improve the quality level of these coaches so as to bring it at par with the international level.

Reply of the Government

Railway Board have identified export of rolling stock as one of the thrust areas and decided to enter into international market for export of both new and second hand rolling stock through aggressive marketing efforts.

In order to provide expeditious and single window clearance to all export enquiries, a high level Export Promotion Committee under the chair - manship of Chairman, Railway Board has been consituted.

Other measures taken to promote export of rolling stock are:—

(a) M/s RITES and IRCON have been nominated to handle all export enquiries.
(b) All export enquiries are expeditiously attended.
(c) Flexible pricing approach has beem adopted.
(d) A brouchure detailing the salient features of rolling stock has been prepared and sent to various missions for publicity.

Efforts made so far have resulted into securing export orders worth Rs. 48 Crores of Railway Rolling Stock from Vietnam, Nepal, Bangladesh. Sri Lanka and Malaysia. Active negotiations for export of rolling stock are going on with Mynamar. Ghana, Chile, Brazil, Argentina and Indonesia.

Over the years as an on-going process while several indigenous design and quality improvements have beem incorporated in these coaches, their basic technology remain the same which was imbibed in early 60's. In order to improve customer satisfaction particularly in respect of passenger services and also enhance export capacity, Railways are considering induction of modern light weight coaches now available in the international market with transfer of technology. These coaches will have the distinct advantage of enhanced riding comfort even at higher speed's greater availability in service, improved relability and easy maintainbility with aerodynamic energy efficient profiles. This would also enhance the product profile and customer choice for export.

(M/o Railways (Railway Board) D.U No 94/SCR/X/PU dated 29.5.95)

Comments of the Committee

(Please *see* Paragraph 19 of the Report)

Recommendation (Para No. 114)

Further, due attention and importance has to be paid to the maintenance of the existing rolling stock. The Committee cannot but express its great distress at the failure of the Railway in this regard. The Committee strongly recommend adoption of strict measures for the upkeep and maintenance/ replacement of the rolling stock, particularly the coaches.

Reply of the Government

Railways attach highest importance to efficient maintenance of existing fleet of rolling stock. Wherever necessary replacements are made on age cum condition basis. Maintenance practices are reviewed periodically to take into account the recent developments in material technology and manufacturing. Besides standardisation of maintenance practice, operation is being streamlined to further improve the maintenance and reliability of coaching stock. Some of the steps taken for better maintenance of coaclury stock are:—

- Standardisation of maintenance facilities.
- Standardisation of rakes (train composition).
- Segregation and standardisation of operation into distinct spheres to cater for specific traffic demand.
- Introduction of diesel multiple units and rail buses for suburban services.

[M/o Railways (Railway Board) D.O. No. 94/ SCR/ X/ PU dated 29. 5 95]

Comments of the Committee

(Please *see* paragraph 22 of the Report)

Recommendation (Para No. 118)

The Committee also suggest that Railways policy not to recognise unions in Production Units should be changed so as not to deny the exercise of fundamental rights by the workers and employees.

Reply of the Government

There has been no denial of fundamental rights to the workers of the Production Units. Staff councils which largely comprise of elected mem-

bers —elected by the workers themselves-take up all matters relating to service conditions, issues of common interest and staff grievances and hold discussions at periodic intervals with the local management in Production Units. They also hold meetings with the Board once a year where left over and policy issues are discussed and amicable solutions found. The question whether the existing system of Staff Councils should be continued or the unions should be granted recognition was also recently reviewed. While the general consensus was to continue the existing system of Staff Councils by enhancing their status and making this forum as an efficient, vibrant medium for staff grievance redressal, a paper has since been prepared for the consideration of the Board and further suitable action will be taken as soon as a decision is taken.

[M/o Railways (Railway Board) D.O. No. 94/ SCR/ X/PU dated 29.5. 95]

Comments of the Committee

(Please *see* Pargraph 25 of the Report)

CHAPTER V

RECOMMENDATIONS/ OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES OF GOVERNMENT ARE STILL AWAITED

Recommendation (Para No. 116)

The Committee have also been informed that the Railways do not recognise unions in production units. There is a mechanism of redressal of the grievances of Staff through Staff Councils. The Committee are unhappy to note that the Staff Councils are not working satisfactorily. The election of Staff Council in Chittaranjan Locomotive Works is yet to be held, although the Court injunction for holding of staff Council elections, imposed a decade earlier, had already been vacated more than a year back. As the Staff Councils are the only means through which the workers can bring their problems to the notice of management, the Committee strongly feel that Railway Board should ensure that Staff Councils are properly constituted in all the Production Units.

Reply of the Government

Staff Councils have been duly constituted and are functioning satisfactorily in all the Production Units except CLW.

In CLW also, the process for holding elections to elect the members for re-constituting the Council has already begun. In a meeting held on 24.3.95, CLW have been given necessary guidelines to quicken the process. Accordingly, the elections are likely to be completed and the new Staff Council is expected to be in position by the end of July, 1995.

[M/o Railway (Railway Board/D.O. No. 94/SCR/X/PU dated 29.5.95]

NEW DELHI,
8 December, 1995
17 Agrahayana, 1917 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Railways.

APPENDIX I

Minutes of the Fifteenth Sitting of The Standing Committee on Railways (1995-96)

The Committee sat on Thursday, 7 December, 1995 from 1500 hrs, to 1545 hrs in Committee Room No. 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee —*Chairman*

MEMBERS

Lok Sabha

2. Km Frida Topno
3. Shri Manku Ram Sodhi
4. Smt. Sheela Gautam
5. Shri Phool Chand Verma
6. Shri Shrish Chandra Dikshit
7. Shri Basudeb Acharia
8. Shri S. Sivaraman
10. Shri P.C. Thomas

Rajya Sabha

11. Shri Mohinder Singh Kalyan
12. Smt. Sarala Maheshwari
13. Shri Sarada Mohanty
14. Shri Satish Pradhan

SECRETARIAT

1. Smt. Roli Srivastava — *Joint Secretary*
2. Shri T.R. Sharma — *Deputy Secretary*

2. ** ** **

3. The Committeen then took up for consideration the following Draft Report:-

(i) ** ** **

(ii) 18 the Report on action taken by Government on recommendations/observations contained in their 12th Report on 'Production Units of Indian Railways,

4. The Reports were adopted subject to amendments/modifications as shown in Annexure II.

5. The Committee authorised the Chairman to finalise the Reports after making consequential changes, if any, arising out of factual verification by the Ministry of Railways and to present the Reports to both the Houses of Parliament.

The Committee then adjourned.

** Relates to Other Matters.

APPENDEX II

Amendments/Modifications made by Standing Committee on Railways in the Draft Report of action taken by Government on the Recommendations contained in their 12th Report on 'Production units of Indian Railways'

Page No.	Para No.	Line	
9	13	11	*For* the wards 'procure adequate number of locomotives' *Substitue* 'see that adequate number of locomotive are manufactured,
16	25	2	*After* 'decision of the Board' *Add* 'which should no doubt include the Committee's recommendations made in para 118 of their original Report.'

APPENDEXII

Analysis of action taken by Government on the recommendations/ observations contained in the twelfth report of the Standing Committee on Railways (1994-95) (Tenth Lok Sabha)

			% of Total
(i)	Total No. of Recommendations	18	
(ii)	Recommendations/Observations that have been accepted by Government (*vide* Rec. Nos. 101, 103, 105 107, 108, 109, 111,113, 117)	9	50%
(iii)	Recommendations/Observations which the Committee do not desire to pursue in view of Government's Reply (*vide* Rec. Nos 115)	1	5.6%
(iv)	Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee (*vide* Rec. Nos. 102, 104, 106, 110, 112, 114, 118)	7	38.8%
(v)	Recommendations/Observations in respect of which final replies of Government are still awaited. (*vide* Rec. Nos. 116)	1	5.6%